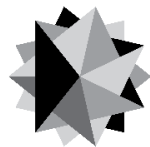


Affin Hwang Aiiman Asia (ex Japan) Growth Fund

Semi-Annual Report
30 April 2022

Out **think.** Out **perform.**



AFFIN HWANG
CAPITAL

MANAGER
Affin Hwang Asset Management Berhad
199701014290 (429786-T)

TRUSTEE
Deutsche Trustees Malaysia Berhad (763590-H)

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

Semi-Annual Report and Unaudited Financial Statements For the 6 Months Financial Period Ended 30 April 2022

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FUND INFORMATION

Fund Name	Affin Hwang Aiman Asia (ex Japan) Growth Fund
Fund Type	Growth
Fund Category	Equity
Investment Objective	The Fund seeks to provide investors with capital appreciation by investing in Shariah-compliant investments
Benchmark	Dow Jones Islamic Market Asia / Pacific ex Japan Index
Distribution Policy	Subject to the availability of income, the Fund will distribute income on an annual basis after the end of the first financial year of the Fund

FUND PERFORMANCE DATA

Category	As at 30 Apr 2022 (%)	As at 30 Apr 2021 (%)	As at 30 Apr 2020 (%)
Portfolio composition			
Shariah-compliant quoted equities – local			
- Health Care	-	2.49	2.51
- Telecommunications & media	1.35	1.24	2.35
Total Shariah-compliant quoted equities – local	1.35	3.73	4.86
Shariah-compliant quoted equities – foreign			
- Basic materials	12.96	6.31	1.54
- Consumer Discretionary	13.2	-	-
- Consumer goods	-	7.86	5.22
- Consumer services	-	15.43	17.59
- Consumer staples	4.6	-	-
- Energy	10.39	-	-
- Financials	2.35	-	10.48
- Healthcare	9.09	-	-
- Industrials	2.41	5.99	6.97
- Real estate	2.98	2.42	-
- Technology	18.09	46.22	40.36
- Telecommunications & media	6.11	0.84	-
- Utilities	-	1.71	-
Total Shariah-compliant quoted equities – foreign	82.18	86.78	82.16
Collective investment scheme – local			
- TradePlus Shariah Gold Tracker	-	-	2.89
Total collective investment scheme	-	-	2.89
Cash & cash equivalent	16.47	9.49	10.09
Total	100.00	100.00	100.00
Total NAV (RM'million)	282.934	428.270	208.962
NAV per Unit (RM)	0.6956	0.8585	0.6389
Unit in Circulation (million)	406.734	498.846	327.052
Highest NAV	0.9216	0.9216	0.6625
Lowest NAV	0.6736	0.7496	0.5641
Return of the Fund (%)	-13.26	14.53	6.24
- Capital Growth (%)	-13.26	14.53	3.82
- Income Distribution (%)	Nil	Nil	2.33
Gross Distribution per Unit (sen)	Nil	Nil	1.50
Net Distribution per Unit (sen)	Nil	Nil	1.50
Total Expense Ratio (%) ¹	0.97	0.96	0.97
Portfolio Turnover Ratio (times) ²	1.17	0.95	1.08

Basis of calculation and assumption made in calculating the returns:-

The performance figures are a comparison of the growth/decline in NAV for the stipulated period taking into account all the distribution payable (if any) during the stipulated period.

An illustration of the above would be as follow:-

Capital return	= NAV per Unit end / NAV per Unit begin – 1
Income return	= Income distribution per Unit / NAV per Unit ex-date
Total return	= (1+Capital return) x (1+Income return) – 1

¹The TER of the Fund was slightly higher due to higher expenses incurred by the Fund during the period under review.

²The increase in the Fund's PTR was due to higher disposal of the Fund during the period under review.

MANAGER'S REPORT

Income Distribution / Unit Split

No income distribution or unit split was declared for the financial period ended 30 April 2022.

Performance Review

For the period 1 November 2021 to 30 April 2022, the Fund registered a -13.26% return compared to the benchmark return of -14.54%. The Fund thus outperformed the Benchmark by 1.28%. The Net Asset Value per unit ("NAV") of the Fund as at 30 April 2022 was RM0.6956 while the NAV as at 31 October 2021 was RM0.8019.

Since commencement, the Fund has registered a return of 52.45% compared to the benchmark return of 54.88%, underperforming by 2.43%.

Table 1: Performance of the Fund

	6 Months (1/11/21 - 30/4/22)	1 Year (1/5/21 - 30/4/22)	3 Years (1/5/19 - 30/4/22)	5 Years (1/5/17 - 30/4/22)	Since Commencement (30/12/15 - 30/4/22)
Fund	(13.26%)	(17.06%)	17.43%	29.70%	52.45%
Benchmark	(14.54%)	(20.31%)	19.10%	33.48%	54.88%
Outperformance	1.28%	3.25%	(1.67%)	(3.78%)	(2.43%)

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/5/21 - 30/4/22)	3 Years (1/5/19 - 30/4/22)	5 Years (1/5/17 - 30/4/22)	Since Commencement (30/12/15 - 30/4/22)
Fund	(17.06%)	5.50%	5.34%	6.88%
Benchmark	(20.31%)	5.99%	5.94%	7.14%
Outperformance	3.25%	(0.49%)	(0.60%)	(0.26%)

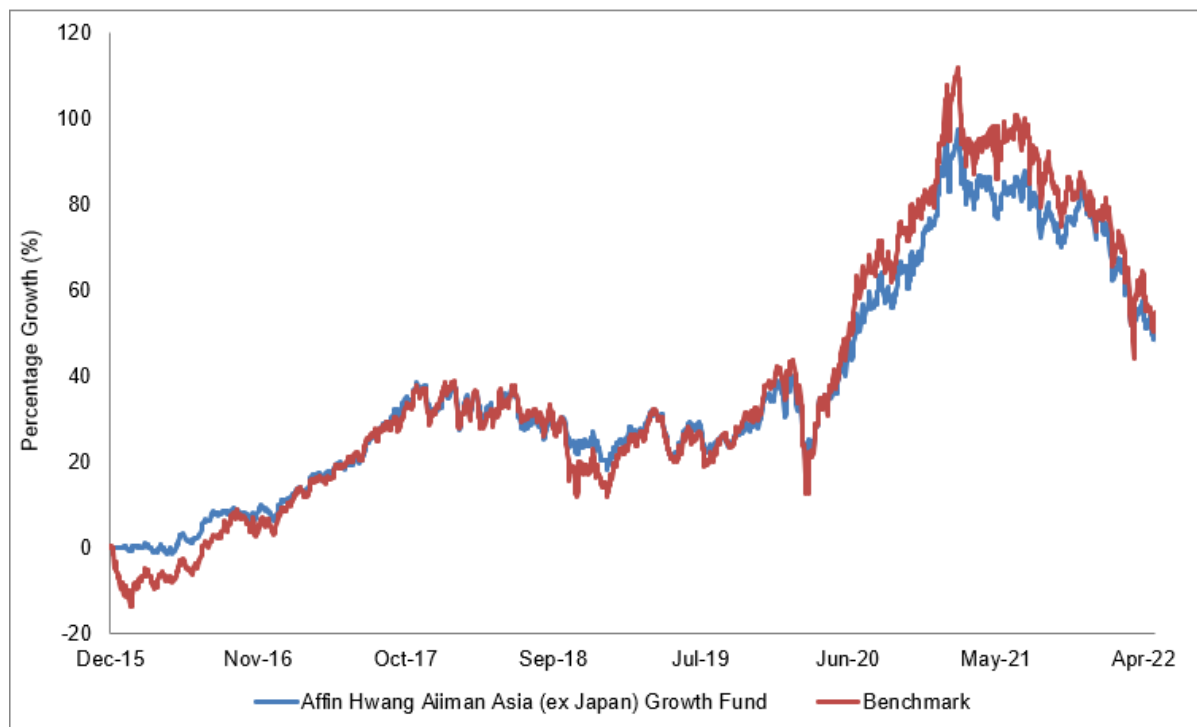
Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2021 (1/11/20 - 31/10/21)	FYE 2020 (1/11/19 - 31/10/20)	FYE 2019 (1/11/18 - 31/10/19)	FYE 2018 (1/11/17 - 31/10/18)	FYE 2017 (1/11/16 - 31/10/17)
Fund	9.51%	26.39%	3.34%	(9.32%)	26.14%
Benchmark	5.70%	32.17%	12.50%	(14.48%)	27.60%
Outperformance	3.81%	(5.78%)	(9.16%)	5.16%	(1.46%)

Source of Benchmark: Bloomberg

Figure 1: Movement of the Fund versus the Benchmark since commencement.



"This information is prepared by Affin Hwang Asset Management Berhad (AFFINHWANGAM) for information purposes only. Past earnings or the fund's distribution record is not a guarantee or reflection of the fund's future earnings/future distributions. Investors are advised that unit prices, distributions payable and investment returns may go down as well as up. Source of Benchmark is from Bloomberg."

Benchmark: Dow Jones Islamic Market Asia / Pacific ex Japan Index

Past performance is not necessarily indicative of future performance and that Unit prices and investment returns may go down, as well as up.

Asset Allocation

For a snapshot of the Fund's asset mix during the period under review, please refer to Fund Performance Data.

As at 30 April 2022, the Fund's asset allocation stood at 83.53% in equities, while the balance was held in cash and cash equivalent. During the period under review, the Fund's domestic equity exposure was reduced compared to a year ago. Exposures continued to focus within the health care and telecommunication and media sectors. On the other hand, equity exposure within the regional space was decreased to 82.18% from 86.78% a year ago. Consumer goods and services was stripped off from the Fund's portfolio, while the Manager added exposure towards consumer discretionary. Meanwhile, the Manager has stripped off exposures into CIS over the same period. Cash level of the Fund was increased to 16.47%.

Strategies Employed

With the extreme volatility in markets, we raised our cash holdings and went into a defensive stance in our allocation. We then slowly deployed back into the market with a focus on quality. We continue to keep close monitor on market development amidst the rare event of global pandemic.

Market Review

Uncertainty has been an ongoing theme in economies and markets. While global equities started on a strong note at the start of 2021 due to policy easing and optimism surrounding vaccination rollout, global recovery was uneven as developed markets reported stronger gains compared to emerging markets. Developed countries managed to administer the vaccine at a quicker pace which led to a corresponding increase in

mobility and hence a more optimistic market outlook. For the most of 2H 2021, expensive valuations in both fixed income and equities loomed over investors. However, the challenging market conditions in the first quarter of 2022 addressed some of these concerns as Chinese equities both onshore and offshore traded below their 15-year average and the S&P plummeted 8.7% in April 2022.

In general, government policies to encourage demand throughout one of the largest economic contractions produced one of the fastest recoveries. Developed market output reached its pre-pandemic peak in the third quarter of 2021.

Real GDP growth for US in 1Q 2022 was weaker than expected, falling 1.4% on an annualized basis. The weakness can be largely attributed to a decline in the real trade deficit, lower government spending and a decrease in fiscal stimulus that was initiated to improve spending during the pandemic. Economic data showed sign of weakening while inflationary pressures continued to prompt the Federal Reserve into a more aggressive stance on interest rate hikes. However, domestic demand continues to be resilient, with personal consumption expenditures up 2.7% on an annualized basis.

In the Eurozone, equities continue to decline as the conflict between Ukraine and Russia persist, further placing upward pressure on inflation – annual eurozone inflation reached 7.5% in April, an increase from 7.4% in March. The sectors that performed best included energy due to continued strong demand and communication services given their defensive profile. Information technology, consumer discretionary and industrials fared weaker as these sectors tend to be affected by supply chain disruptions and concerns over consumer confidence the most.

In China, although 1Q 2022 GDP has shown that the Chinese economy began to rebound in January and February, the impact the pandemic had on consumption, investment and production overshadowed the growth as Covid-19 continued to put downward pressure on the Chinese economy. The tightened credit conditions that persisted until early 2022 and regulatory policies in place as a result of the government's common prosperity initiative have slowed growth. A decline in new Covid infection numbers could be the first step in restoring market confidence, however, with parts of China in lockdown since April 2022 resulting in a decrease in both the manufacturing and services sector, investor confidence remained cautious. The Chinese Yuan also experienced some sharp depreciation during the quarter as the 2-year US Treasury yield rose above its Chinese equivalent.

Asia equities were lower in April as China fought hard to contain its worst outbreak of Covid-19, implementing measures that affected the market adversely. Expectations of higher interest rates and the still ongoing conflict between Russia and Ukraine also weakened investor sentiment. Taiwan performed worst in terms of index market as major electronics manufacturers and chip slumped due to supply chain disruptions brought upon by lockdowns in Shanghai and neighbouring cities.

Bond yields continued to rise in April 2022, resulting in further negative returns in an environment of continued high inflation and expectations of significant interest rate hikes. US consumer price inflation accelerated to 8.5% year on year in March though the core personal consumption expenditure index fell slightly to an annualised 5.2% from 5.3%. Corporate bonds garnered negative total returns and underperformed government bonds in general.

The S&P GSCI Index reported a positive return in April 2022. Higher prices in agricultural and energy components supported weaker prices for livestock, industrial and precious metals. Energy was the top performing component of the index as the global economy normalises after the Covid-19 pandemic and supplies are disrupted due to geopolitical unrest.

On the domestic front, March exports jumped 25.4% year on year, exceeding consensus estimates. The growth was largely attributed to electrical & electronic and commodities-based products such as palm oil. In the local bond market, Malaysia's sovereign bonds' trading volume declined to RM55.3b in April 2022, a 25% reduction since March 2022. A decline in trading volume of corporate bonds from RM9.1b in March to RM5.7b in April was also recorded.

Investment Outlook

2022 is set to be a year of transition for markets as investors continue to contend with normalization of growth rates and monetary policy tightening. Both equities and bonds are down year-to-date as uncertain policy outlooks, an energy shock and weak growth outlook in China continue to stir markets. With the most impactful effects of the pandemic likely behind us, peak policy support and with it peak GDP growth during

the pandemic era also likely realized in 2021. We expect to see a lot of crosswinds and periods of transition especially with regards to policy.

The Russia-Ukraine tension is also weighing on sentiments. With continued disruptions to supply chains, the conflict is contributing to inflationary pressures and it is no surprise that commodities are on track to outperform equities for the second consecutive year. However, history suggest that market impact from geopolitical events tend to be short. We expect markets to shift the focus back to tighter monetary conditions and slowing growth moving forward.

The inversion of the US yield curve and whether it is an accurate predictor of a recession has been widely discussed as of late. Whilst a recession is not inevitable in our view, we are increasingly of the opinion that economic growth will likely slow materially in the coming months as consumers adjust to rapidly rising costs. Although the default response to decelerating growth in recent years by central banks is to increase liquidity, this is much less likely this time as battling inflation is seen as a more pressing matter.

Back home, we believe that it will be a stock picker's market for local investors as Bursa languishes behind other regional peers. With foreign shareholding at an all-time low, much of the exuberance have faded especially on the back of a strong US dollar environment which makes emerging markets like Malaysia unattractive. Though, we view that domestic market will not be susceptible to sudden foreign outflows and that the direction of the market will be influenced more by local players that have grown massively in size and are looking for opportunities to deploy.

Against a volatile backdrop, we are cautiously positioned for 2022. On inflection points, we see retreating inflation and an easing of Russia-Ukraine tension as potential turnarounds for the market to improve.

State of Affairs of the Fund

There is neither any significant change to the state affairs of the Fund nor any circumstances that materially affect any interests of the unit holders during the period under review.

Soft Commissions received from Brokers

As per the requirements of the Securities Commission's Guidelines on Unit Trust Funds and Guidelines on Compliance Function for Fund Management Companies, soft commissions received from brokers/dealers may be retained by the management company only if the :-

- (i) goods and services provided are of demonstrable benefit to Unit holders of the Fund; and
- (ii) goods and services are in the form of research and advisory services that assists in the decision making process.

During the financial period under review, Affin Hwang Aiiman Asia (ex Japan) Growth Fund has received soft commissions from brokers/dealers who have also executed trades for other funds managed by Affin Hwang Asset Management. The soft commissions were utilised for goods and services in the form of research materials, data and quotation services, investment-related publications, market data feed, industry benchmarking agencies and investment-related publications to assist the Manager in the investment decision making process. The soft commissions received were for the benefit of the funds and there were no churning of trades.

Cross Trade

No cross trade transactions have been carried out during the reported period.

Securities Financing Transactions

Affin Hwang Aiiman Asia (ex Japan) Growth Fund has not undertaken any securities lending or repurchase transactions during the financial period under review.

Changes Made to The Fund's Prospectus

There were no changes made to Affin Hwang Aiman Asia (ex Japan) Growth Fund's prospectus during the financial period under review.

TRUSTEE'S REPORT

TO THE UNIT HOLDERS OF AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND ("FUND")

We have acted as Trustee of the Fund for the financial period ended 30 April 2022 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, AFFIN HWANG ASSET MANAGEMENT BERHAD has operated and managed the fund during the period covered by these financial statements in accordance with the following:

1. Limitations imposed on the investment powers of the management company under the deed, securities laws and the Guidelines on Unit Trust Funds;
2. Valuation and pricing is carried out in accordance with the deed; and
3. Any creation and cancellation of units are carried out in accordance with the deed and any regulatory requirement

We are of the opinion that the distribution of income by the Fund is appropriate and reflects the investment objective of the Fund.

For Deutsche Trustees Malaysia Berhad

Ng Hon Leong
Head, Trustee Operations

Gerald Ang
Chief Executive Officer

Kuala Lumpur
17 June 2022

SHARIAH ADVISER'S REPORT

To the Unit Holders of Affin Hwang Aiiman Asia (ex Japan) Growth Fund (“Fund”)

We hereby confirm the following:

1. To the best of our knowledge, after having made all reasonable enquiries, Affin Hwang Asset Management Berhad has operated and managed the Fund during the period covered by these financial statements in accordance with the Shariah principles and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters; and
2. The asset of the Fund comprises of instruments that have been classified as Shariah compliant.

For Amanie Advisors Sdn Bhd

Tan Sri Dr Mohd Daud Bakar
Executive Chairman

Kuala Lumpur
17 June 2022

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS

FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS

FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022

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AFFIN HWANG AIIAN ASIA (EX JAPAN) GROWTH FUND

UNAUDITED SEMI-ANNUAL STATEMENT OF COMPREHENSIVE INCOME FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022

	<u>Note</u>	6 months financial period ended <u>30.4.2022</u> RM	6 months financial period ended <u>30.4.2021</u> RM
INVESTMENT (LOSS)/INCOME			
Dividend income		2,826,326	1,970,240
Profit income from financial assets at amortised cost		14,978	79,990
Net gain/(loss) on foreign currency exchange		923,524	(426,400)
Net loss on forward foreign currency contracts at fair value through profit or loss		-	(609,890)
Net (loss)/gain on financial assets at fair value through profit or loss	7	(46,117,564)	38,073,032
		<u>(42,352,736)</u>	<u>39,086,972</u>
EXPENSES			
Management fee	4	(3,168,924)	(2,988,221)
Trustee fee	5	(105,641)	(99,770)
Auditors' remuneration		(4,463)	(4,463)
Tax agent's fee		(33,240)	(31,971)
Transaction cost		(2,141,161)	(1,576,958)
Other expenses		(508,842)	(761,091)
		<u>(5,962,271)</u>	<u>(5,462,474)</u>
NET (LOSS)/PROFIT BEFORE TAXATION		(48,315,007)	33,624,498
Taxation	6	(337,901)	-
NET (LOSS)/PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE FINANCIAL PERIOD		<u>(48,652,908)</u>	<u>33,624,498</u>
Net (loss)/profit after taxation is made up of the following:			
Realised amount		(24,346,314)	21,860,572
Unrealised amount		(24,306,594)	11,763,926
		<u>(48,652,908)</u>	<u>33,624,498</u>

The accompanying summary of significant accounting policies and notes to the unaudited interim financial statements form an integral part of these financial statements.

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

UNAUDITED SEMI-ANNUAL STATEMENT OF FINANCIAL POSITION AS AT 30 APRIL 2022

	<u>Note</u>	<u>2022</u> RM	<u>2021</u> RM
ASSETS			
Cash and cash equivalents	8	48,980,471	18,375,937
Amount due from brokers		-	5,445,552
Amount due from Manager			
- creation of units		115,923	6,491,224
Dividend receivable		297,417	-
Financial assets at fair value through profit or loss	7	236,350,837	398,614,079
TOTAL ASSETS		<u>285,744,648</u>	<u>428,926,792</u>
LIABILITIES			
Amount due to brokers		803,134	-
Amount due to Manager			
- management fee		453,156	620,702
- cancellation of units		625,599	-
Amount due to Trustee		15,105	20,690
Auditors' remuneration		4,463	4,463
Tax agent's fee		5,992	8,500
Other payables and accruals		17,809	2,476
Deferred tax liabilities	9	885,635	-
TOTAL LIABILITIES		<u>2,810,893</u>	<u>656,831</u>
NET ASSET VALUE OF THE FUND		<u>282,933,755</u>	<u>428,269,961</u>
EQUITY			
Unitholders' capital		264,395,984	333,408,009
Retained earnings		18,537,771	94,861,952
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>282,933,755</u>	<u>428,269,961</u>
NUMBER OF UNITS IN CIRCULATION	10	<u>406,734,000</u>	<u>498,846,000</u>
NET ASSET VALUE PER UNIT (RM)		<u>0.6956</u>	<u>0.8585</u>

The accompanying summary of significant accounting policies and notes to the unaudited interim financial statements form an integral part of these financial statements.

AFFIN HWANG AII MAN ASIA (EX JAPAN) GROWTH FUND

UNAUDITED SEMI-ANNUAL STATEMENT OF CHANGES IN EQUITY FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022

	Unitholders' <u>capital</u> RM	Retained <u>earnings</u> RM	<u>Total</u> RM
Balance as at 1 November 2021	322,444,914	67,190,679	389,635,593
Total comprehensive loss for the financial period	-	(48,652,908)	(48,652,908)
Movement in unitholders' capital:			
Creation of units arising from applications	9,795,664	-	9,795,664
Cancellation of units	(67,844,594)	-	(67,844,594)
Balance as at 30 April 2022	<u>264,395,984</u>	<u>18,537,771</u>	<u>282,933,755</u>
Balance as at 1 November 2020	162,712,617	61,237,454	223,950,071
Total comprehensive income for the financial period	-	33,624,498	33,624,498
Movement in unitholders' capital:			
Creation of units arising from applications	172,351,129	-	172,351,129
Cancellation of units	(1,655,737)	-	(1,655,737)
Balance as at 30 April 2021	<u>333,408,009</u>	<u>94,861,952</u>	<u>428,269,961</u>

The accompanying summary of significant accounting policies and notes to the unaudited interim financial statements form an integral part of these financial statements.

AFFIN HWANG AIIAN ASIA (EX JAPAN) GROWTH FUND

UNAUDITED SEMI-ANNUAL STATEMENT OF CASH FLOWS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022

	<u>Note</u>	6 months financial period ended <u>30.4.2022</u> RM	6 months financial period ended <u>30.4.2021</u> RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from sale of Shariah-compliant investments		452,216,114	245,070,863
Purchase of Shariah-compliant investments		(365,486,559)	(419,285,556)
Profit received from short term Shariah-based deposits		14,978	79,990
Dividend received		2,623,576	1,992,680
Management fee rebate received		-	2,996
Realised gain/(loss) on foreign currency exchange		1,199,294	(1,988,537)
Realised loss on forward foreign currency contracts		-	(609,890)
Management fee paid		(3,297,541)	(2,715,306)
Trustee fee paid		(109,928)	(90,673)
Payment for other fees and expenses		(2,689,401)	(2,377,583)
Tax paid		(337,901)	-
Net cash generated from/(used in) operating activities		<u>84,132,632</u>	<u>(179,921,016)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from creation of units		16,810,942	166,994,349
Payments for cancellation of units		(67,287,403)	(1,736,626)
Net cash used in financing activities		<u>(50,476,461)</u>	<u>165,257,723</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		33,656,171	(14,663,293)
EFFECTS OF FOREIGN CURRENCY EXCHANGE		(5,810)	80
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD		<u>15,330,110</u>	<u>33,039,150</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	8	<u><u>48,980,471</u></u>	<u><u>18,375,937</u></u>

The accompanying summary of significant accounting policies and notes to the unaudited interim financial statements form an integral part of these financial statements.

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022

The following accounting policies have been used in dealing with items which are considered material in relation to the financial statements.

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention, except as disclosed in the summary of significant accounting policies and comply with Malaysian Financial Reporting Standards International Financial Reporting Standards (“MFRS”).

The preparation of financial statements in conformity with MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported financial period. It also requires the Manager to exercise their judgment in the process of applying the Fund’s accounting policies. Although these estimates and judgment are based on the Manager’s best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note M.

(a) Standards, amendments to published standards and interpretations that are effective:

- Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16 ‘Interest Rate Benchmark (IBOR) Reform – Phase 2’ (effective 1 January 2021) provide practical expedient allowing Funds to update the effective interest rate to account for any required changes in contractual cash flows that is a direct consequence of IBOR reform. This results in no immediate gain or loss recognised in profit or loss.

The amendments require entities to update the hedge documentation to reflect the changes required by the IBOR replacement. The amendments also provide reliefs that enable and require entities to continue hedge accounting in circumstances when changes in hedged items and hedging instruments are solely due to IBOR reform.

The adoption of the above standards, amendments to standards or interpretations did not have a material effect on the financial statements of the Fund.

(b) Standards and amendments that have been issued but not yet effective:

- Amendments to MFRS 3 ‘Reference to Conceptual Framework’ (effective 1 January 2022) replace the reference to Framework for Preparation and Presentation of Financial Statements with 2018 Conceptual Framework.
- Annual Improvements to MFRSs 2018 – 2020 Cycle (effective for annual periods beginning on or after 1 January 2022).
- Amendments to MFRS 137 ‘onerous contracts—cost of fulfilling a contract’ (effective 1 January 2022) clarify that direct costs of fulfilling a contract include both the incremental cost of fulfilling the contract as well as an allocation of other costs directly related to fulfilling contracts.
- Amendments to MFRS 101 ‘Classification of liabilities as current or non-current (effective 1 January 2023) clarify that a liability is classified as non-current if an entity has a substantive right at the end of the reporting period to defer settlement for at least 12 months after the reporting period. A liability is classified as current if a condition is breached at or before the reporting date and a waiver is obtained after the reporting date.

The adoption of the above standards, amendments to standards or interpretations is not expected to have a material effect on the financial statements of the Fund.

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022 (CONTINUED)

B INCOME RECOGNITION

Dividend income

Dividend income for financial assets at fair value through profit or loss is recognised in the statement of comprehensive income as part of gross dividend income on the ex-dividend rate, when the right to receive the dividend has been established.

Profit income

Profit income from short-term Shariah-based deposits with licensed financial institutions is recognised based on effective profit rate method on an accruals basis.

Profit income is calculated by applying the effective profit rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For credit-impaired financial assets the effective profit rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Realised gains and losses on sale of investments

For Shariah-compliant quoted investments, realised gains and losses on sale of Shariah-compliant investments are accounted for as the difference between the net disposal proceeds and the carrying amount of the Shariah-compliant investments, determined on a weighted average cost basis.

C TRANSACTION COSTS

Transaction costs are costs incurred to acquire financial assets or liabilities at fair value through profit or loss. They include the bid-ask spread, fees and commissions paid to agents, advisors and brokers. Transaction costs, when incurred, are immediately recognised in the statement of comprehensive income as expenses.

D TAXATION

Current tax expense is determined according to the Malaysian tax laws at the current rate based upon the taxable profit earned during the financial period.

Tax on investment income from foreign investments is based on the tax regime of the respective countries that the Fund invests in.

Withholding taxes on investment income from foreign investments are based on tax regime of the respective countries that the Fund invests in. Such withholding taxes are not "income tax" in nature and are recognised and measured based on the requirements of MFRS 137. They are presented within other expenses line in the statement of comprehensive income.

E DISTRIBUTIONS

A distribution to the Fund's unitholders is accounted for as a deduction from realised reserve. A proposed distribution is recognised as a liability in the period in which it is approved by the Trustee of the Fund.

AFFIN HWANG AII MAN ASIA (EX JAPAN) GROWTH FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022 (CONTINUED)

F FUNCTIONAL AND PRESENTATION CURRENCY

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (the “functional currency”). The financial statements are presented in Ringgit Malaysia (“RM”), which is the Fund’s functional and presentation currency.

G FOREIGN CURRENCY TRANSLATION

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income, except when deferred in other comprehensive income as qualifying cash flow hedges.

H FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(i) Classification

The Fund classifies its financial assets in the following measurement categories:

- those to be measured at fair value through profit or loss, and
- those to be measured at amortised cost.

The Fund classifies its investments based on both the Fund’s business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed, and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets’ performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income.

The contractual cash flows of the Fund’s debt securities are solely principal and interest¹ (SPPI). However, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund’s business model’s objective. Consequently, all investments are measured at fair value through profit or loss.

The Fund classifies cash and cash equivalents, amount due from brokers, amount due from Manager and dividend receivables as financial assets at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding.

The Fund classifies amount due to brokers, amount due to Manager, amount due to Trustee, auditors’ remuneration, tax agent’s fee and other payables and accruals as financial liabilities measured at amortised cost.

¹ For the purpose of this Fund, interest refers to profits earned from Shariah-compliant investments

AFFIN HWANG AIIAN ASIA (EX JAPAN) GROWTH FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022 (CONTINUED)

H FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(ii) Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the Fund commits to purchase or sell the asset. Shariah-compliant investments are initially recognised at fair value. Transaction costs are expensed in the statement of comprehensive income.

Financial liabilities, within the scope of MFRS 9 are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instrument.

Financial assets are de-recognised when the rights to receive cash flows from the investments have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

Financial liabilities are derecognised when it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expired.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category including the effects of foreign transaction are presented in the statement of comprehensive income within 'net gain/(loss) on financial assets at fair value through profit or loss' in the financial period which they arise.

The fair value of financial assets traded in active markets (such as trading securities) are based on quoted market prices at the close of trading on the financial period end date. The Fund utilises the last traded market price for financial assets where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is most representative of the fair value.

If a valuation based on the market price does not represent the fair value of the securities, for example during abnormal market conditions or when no market price is available, including in the event of a suspension in the quotation of the securities for a period exceeding 14 days, or such shorter period as agreed by the Trustee, then the securities are valued as determined in good faith by the Manager, based on the methods or basis approved by the Trustee after appropriate technical consultation.

Financial assets at amortised cost and the other financial liabilities are subsequently carried at amortised cost using the effective profit method.

AFFIN HWANG AIIAN ASIA (EX JAPAN) GROWTH FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022 (CONTINUED)

H FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(iii) Impairment

The Fund's financial assets measured at amortised cost are subject to expected credit losses. The Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward-looking information in determining any expected credit loss. Management considers the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12 month expected credit losses as any such impairment would be wholly insignificant to the Fund.

Significant increase in credit risk

A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due.

Definition of default and credit-impaired financial assets

The Fund defines a financial instrument as default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

Quantitative criteria:

Any contractual payment which is more than 90 days past due is considered credit impaired.

Qualitative criteria:

The debtor meets unlikeliness to pay criteria, which indicates the debtor is in significant financial difficulty. The Fund considers the following instances:

- the debtor is in breach of financial covenants
- concessions have been made by the lender relating to the debtor's financial difficulty
- it is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- the debtor is insolvent

Financial instruments that are credit-impaired are assessed on individual basis.

Write-off

The Fund writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount.

The Fund may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in bad debt recoveries. There are no write-offs/recoveries during the financial period.

AFFIN HWANG AII MAN ASIA (EX JAPAN) GROWTH FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022 (CONTINUED)

I CASH AND CASH EQUIVALENTS

For the purpose of statement of cash flows, cash and cash equivalents comprise cash and bank balances and short-term Shariah-based deposits held in highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

J AMOUNTS DUE FROM/(TO) BROKERS

Amounts due from and to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively. The due from brokers balance is held for collection. Refer to Note H for accounting policy on recognition and measurement.

Any contractual payment which is more than 90 days past due is considered credit impaired.

Significant financial difficulties of the brokers, probability that the brokers will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required.

K UNITHOLDERS' CAPITAL

The unitholders' contributions to the Fund meet the criteria to be classified as equity instruments under MFRS 132 "Financial Instruments: Presentation". Those criteria include:

- the units entitle the holder to a proportionate share of the Fund's net assets value;
- the units are the most subordinated class and class features are identical;
- there is no contractual obligations to deliver cash or another financial asset other than the obligation on the Fund to repurchase; and
- the total expected cash flows from the units over its life are based substantially on the profit or loss of the Fund.

The outstanding units are carried at the redemption amount that is payable at each financial period if unitholder exercises the right to put the units back to the Fund.

Units are created and cancelled at unitholders' option at prices based on the Fund's net asset value ("NAV") per unit at the time of creation or cancellation. The Fund's NAV per unit is calculated by dividing the net assets attributable to unit holders with the total number of outstanding units.

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022 (CONTINUED)

L DERIVATIVE FINANCIAL INSTRUMENTS

A derivative financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

The Fund's derivative financial instruments comprise forward foreign currency contracts. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Financial derivative position will be "marked to market" at the close of each valuation day. Foreign exchange gains and losses on the derivative financial instruments are recognised in profit or loss when settled or at the date of the statement of financial position at which time they are included in the measurement of the derivative financial instrument. Derivative instruments that have a negative fair value are presented in liabilities at fair value through profit or loss.

The fair value of forward foreign currency contracts is determined using forward exchange rates at the date of statements of financial position, with the resulting value discounted back to present value.

The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and the nature of the item being hedged. Derivatives that do not qualify for hedge accounting are classified as financial assets/liabilities at fair value through profit or loss.

M CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS IN APPLYING ACCOUNTING POLICIES

The Fund makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information contents on the estimates, certain key variables that are anticipated to have material impacts to the Fund's results and financial position are tested for sensitivity to changes in the underlying parameters.

Estimates and judgments are continually evaluated by the Manager and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

However, the Manager is of the opinion that there are no accounting policies that required significant judgment to be exercised.

In undertaking any of the Fund's investment, the Manager will ensure that all assets of the Fund under management will be valued appropriately, that is, at fair value and in compliance with the Securities Commission's ("SC") Guidelines on Unit Trust Funds.

N REALISED AND UNREALISED PORTIONS OF PROFIT OR LOSS AFTER TAX

The analysis of realised and unrealised profit or loss after tax as presented on the statement of comprehensive income is prepared in accordance with SC's Guidelines on Unit Trust Funds.

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022

1 INFORMATION ON THE FUND

The Unit Trust Fund was constituted under the name Affin Hwang Aiiman Asia (Ex Japan) Growth Fund (the "Fund") pursuant to the execution of a Deed dated 6 February 2015 as modified by the Supplemental Deed dated 5 October 2018 (the "Deeds") entered into between Affin Hwang Asset Management Berhad (the "Manager") and Deutsche Trustees Malaysia Berhad (the "Trustee").

The Fund commenced operations on 30 December 2015 and will continue its operations until terminated by the Trustee as provided under Division 12.3 of the Deed.

The Fund may invest in any of the following investments in foreign and/or local market:

- (a) Shariah-compliant securities listed on Bursa Malaysia or any other approved exchanges;
- (b) Unlisted Shariah-compliant securities including without limitation, Shariah-compliant securities that have been approved by the relevant regulatory authorities for the listing of and quotation of such securities;
- (c) Shariah-compliant warrants;
- (d) Sukuk;
- (e) Islamic deposits;
- (f) Islamic money market instruments;
- (g) Islamic structured products;
- (h) Unit of shares in Islamic collective investment schemes;
- (i) Islamic derivative for hedging purposes only; and
- (j) Any other Shariah-compliant investment as may be permitted by the SAC of the SC and/or Shariah Adviser from time to time which is in line with the objective of the fund.

All investments will be subjected to the SC's Guidelines on Unit Trust Funds, the Deeds and the objective of the Fund.

The main objective of the Fund is to provide investors with capital appreciation by investing in Shariah-compliant investments.

The Manager is a company incorporated in Malaysia. The principal activities of the Manager are establishment and management of unit trust funds, exchanged-traded funds and private retirement schemes as well as providing fund management services to private clients.

The financial statements were authorised for issue by the Manager on 15 June 2022.

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments are as follows:

	<u>Note</u>	At amortised <u>cost</u> RM	At fair value through <u>profit or loss</u> RM	<u>Total</u> RM
<u>2022</u>				
<u>Financial assets</u>				
Cash and cash equivalents	8	48,980,471	-	48,980,471
Amount due from Manager				
- creation of units		115,923	-	115,923
Dividend receivables		297,417	-	
Shariah-compliant quoted equities	7	-	236,350,837	236,350,837
Total		<u>49,393,811</u>	<u>236,350,837</u>	<u>285,744,648</u>
<u>Financial liabilities</u>				
Amount due to brokers		803,134	-	803,134
Amount due to Manager				
- management fee		453,156	-	453,156
- cancellation of units		625,599	-	625,599
Amount due to Trustee		15,105	-	15,105
Auditors' remuneration		4,463	-	4,463
Tax agent's fee		5,992	-	5,992
Other payables and accruals		17,809	-	17,809
Deferred tax liabilities	9	885,635	-	885,635
Total		<u>2,810,893</u>	<u>-</u>	<u>2,810,893</u>
<u>2021</u>				
<u>Financial assets</u>				
Cash and cash equivalents	8	18,375,937	-	18,375,937
Amount due from brokers		5,445,552	-	5,445,552
Amount due from Manager				
- creation of units		6,491,224	-	6,491,224
Shariah-compliant quoted equities	7	-	398,614,079	398,614,079
Total		<u>30,312,713</u>	<u>398,614,079</u>	<u>428,926,792</u>

AFFIN HWANG AIIAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Financial instruments are as follows: (continued)

	<u>Note</u>	At amortised <u>cost</u> RM	At fair value through <u>profit or loss</u> RM	<u>Total</u> RM
<u>2021 (continued)</u>				
<u>Financial liabilities</u>				
Amount due to Manager				
- management fee		620,702	-	620,702
Amount due to Trustee		20,690	-	20,690
Auditors' remuneration		4,463	-	4,463
Tax agent's fee		8,500	-	8,500
Other payables and accruals		2,476	-	2,476
		<u>656,831</u>	<u>-</u>	<u>656,831</u>
Total		<u>656,831</u>	<u>-</u>	<u>656,831</u>

The Fund is exposed to a variety of risks which include market risk (including price risk, profit rate risk and currency risk), credit risk, liquidity risk, capital risk and reclassification of Shariah status risk.

Financial risk management is carried out through internal control processes adopted by the Manager and adherence to the investment restrictions as stipulated by the SC's Guidelines on Unit Trust Funds and the Deeds.

(a) Price risk

Price risk arises mainly from the uncertainty about future prices of investments. It represents the potential loss the Fund might suffer through holding market positions in the face of price movements. The Manager manages the risk of unfavourable changes in prices by continuous monitoring of the performance and risk profile of the investment portfolio.

The Fund's overall exposure to price risk was as follows:

	<u>2022</u> RM	<u>2021</u> RM
Shariah-compliant quoted investments		
Quoted equities	<u>236,350,837</u>	<u>398,614,079</u>

AFFIN HWANG AII MAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk

The following table summarises the sensitivity of the Fund's (loss)/profit after taxation and NAV to price risk movements. The analysis is based on the assumptions that the market price increased by 4% (2020: 10%) and decreased by 4% (2020: 10%) with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the quoted equities having regard to the historical volatility of the prices.

<u>% Change in price</u>	<u>Market value</u> RM	<u>Impact on profit after taxation/NAV</u> RM
<u>2022</u>		
-4%	226,896,804	(9,454,033)
0%	236,350,837	-
+4%	245,804,870	9,454,033
<u>2021</u>		
-10%	358,752,671	(39,861,408)
0%	398,614,079	-
+10%	438,475,487	39,861,408

(b) Profit rate risk

Profit rate risk arises from the effects of fluctuations in the prevailing levels of market profit rates on the fair value of financial assets and liabilities and future cash flows.

The Fund's exposure to the profit rate risk is mainly confined to short term Shariah-based deposit placements with licensed financial institutions. The Manager overcomes this exposure by way of maintaining Shariah-based deposits on short-term basis.

The Fund's exposure to profit rate risk associated with Shariah-based deposits with licensed financial institutions is not material as the deposits are held on a short-term basis.

AFFIN HWANG AII MAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk (continued)

(c) Currency risk

Currency risk is associated with investments denominated in foreign currencies. When the foreign currencies fluctuate in an unfavourable movement against Ringgit Malaysia, the investments will face currency losses in addition to the capital gain/(loss). The Manager will evaluate the likely directions of a foreign currency versus Ringgit Malaysia based on considerations of economic fundamentals such as profit rate differentials, balance of payments position, debt levels and technical chart considerations.

The following table sets out the foreign currency risk concentrations and counterparties of the Fund:

	<u>Shariah compliant quoted equities</u> RM	<u>Cash and cash equivalents</u> RM	<u>Dividend receivables</u> RM	<u>Total</u> RM
<u>2022</u>				
<u>Financial assets</u>				
Australian Dollar	37,252,477	7,407,598	-	44,660,075
Chinese Yuan	-	13,333,951	-	13,333,951
Hong Kong Dollar	68,542,223	1,635,425	243,180	70,420,828
India Rupee	47,961,698	-	-	47,961,698
Indonesia Rupiah	19,274,671	-	-	19,274,671
Korea Won	5,804,262	-	-	5,804,262
Singapore Dollar	14,837,451	96,042	-	14,933,493
Thai Baht	7,963,924	113,280	54,237	8,131,441
Taiwan Dollar	19,322,485	-	-	19,322,485
United States Dollar	11,564,646	22,016,088	-	33,580,734
	<u>232,523,837</u>	<u>44,602,384</u>	<u>297,417</u>	<u>277,423,638</u>
			<u>Amount due to brokers</u> RM	<u>Total</u> RM
<u>Financial liabilities</u>				
Australian Dollar			<u>803,134</u>	<u>803,134</u>

AFFIN HWANG AIIAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk (continued)

(c) Currency risk (continued)

The following table sets out the foreign currency risk concentrations and counterparties of the Fund:
(continued)

	Shariah compliant quoted equities RM	Cash and cash equivalents RM	Amount due from brokers RM	Total RM
<u>2021</u>				
<u>Financial assets</u>				
Australian Dollar	16,950,388	5,671,571	-	22,621,959
Chinese Yuan	11,632,353	1,648,604	-	13,280,957
Hong Kong Dollar	123,292,536	5,170	-	123,297,706
India Rupee	25,281,945	-	-	25,281,945
Indonesia Rupiah	3,608,528	-	-	3,608,528
Korea Won	50,813,979	-	5,445,552	56,259,531
Singapore Dollar	4,671,021	55,880	-	4,726,901
Taiwan Dollar	70,164,543	-	-	70,164,543
United States Dollar	76,258,586	1,896,271	-	78,154,857
	<u>382,673,879</u>	<u>9,277,496</u>	<u>5,445,552</u>	<u>397,396,927</u>

AFFIN HWANG AIFMAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk (continued)

(c) Currency risk (continued)

The table below summarises the sensitivity of the Fund's (loss)/profit after tax and NAV to changes in foreign exchange movements. The analysis is based on the assumption that the foreign exchange rate changes based on each currency's respective historical volatility, with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the foreign exchange rate, having regard to historical volatility of this rate. Any increase/(decrease) in foreign exchange rate will result in a corresponding (decrease)/increase in the net assets attributable to unitholders by each currency's respective historical volatility.

	Change in rate %	Impact on profit after tax/ NAV RM
<u>2022</u>		
Australian Dollar	+/- 10	+/- 4,385,694
Chinese Yuan	+/- 10	+/- 1,333,395
Hong Kong Dollar	+/- 10	+/- 7,042,083
Indian Rupee	+/- 10	+/- 4,796,170
Indonesia Rupiah	+/- 10	+/- 1,927,467
Korean Won	+/- 10	+/- 580,426
Singapore Dollar	+/- 10	+/- 1,493,349
Thai Baht	+/- 10	+/- 813,144
Taiwan Dollar	+/- 10	+/- 1,932,249
United States Dollar	+/- 10	+/- 3,358,073
<u>2021</u>		
Australian Dollar	+/- 10	+/- 735,494
Chinese Yuan	+/- 10	+/- 336,071
Hong Kong Dollar	+/- 10	+/- 7,178,051
Indian Rupee	+/- 10	+/- 24,552
Korean Won	+/- 10	+/- 1,917,498
Singapore Dollar	+/- 10	+/- 1,562,438
Taiwan Dollar	+/- 10	+/- 1,614,220
United States Dollar	+/- 10	+/- 5,622,698

Credit risk

Credit risk refers to the ability of an issuer or counterparty to make timely payments of profit, principals and proceeds from realisation of investment. The Manager manages the credit risk by undertaking credit evaluation to minimise such risk.

Credit risk arising from cash and bank balances is managed by ensuring that they are held by parties with credit rating of AA or higher.

AFFIN HWANG AIIAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (continued)

Credit risk arising from placements of short-term Shariah-based deposits in licensed financial institutions is managed by ensuring that the Fund will only place Shariah-based deposits in reputable licensed financial institutions.

The settlement terms of amount due from brokers are governed by the relevant rules and regulations as prescribed by the respective stock exchanges.

The settlement terms of the proceeds from the creation of units' receivable from the Manager are governed by the SC's Guidelines on Unit Trust Funds.

The following table sets out the credit risk concentration of the Fund:

	Cash and cash equivalents RM	Other assets* RM	Total RM
<u>2022</u>			
<u>Financial assets</u>			
Consumer Discretionary			
- NR	-	54,237	54,237
Financials			
- AAA	4,301,022	-	4,301,022
- AA1	44,679,449	-	44,679,449
Industrial			
- NR	-	243,180	243,180
Others			
- NR	-	115,923	115,923
	<u>48,980,471</u>	<u>413,340</u>	<u>49,393,811</u>
<u>2021</u>			
<u>Financial assets</u>			
Financials			
- AAA	9,063,485	-	9,063,485
- AA1	9,312,452	-	9,312,452
Others			
- NR	-	11,936,776	11,936,776
	<u>18,375,937</u>	<u>11,936,776</u>	<u>30,312,713</u>

* Other assets consist of amount due from brokers, amount due from Manager and dividend receivables.

AFFIN HWANG AIIAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations. The Manager manages this risk by maintaining sufficient level of Shariah-based liquid assets to meet anticipated payments and cancellation of units by unitholders. Shariah-based liquid assets comprise cash at bank, Shariah-based deposits with licensed financial institutions and other instruments, which are capable of being converted into cash within 7 days.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date.

The amounts in the table below are the contractual undiscounted cash flows.

	<u>Within one month</u> RM	<u>Between one month to one-year</u> RM	<u>Total</u> RM
<u>2022</u>			
Amount due to brokers	803,134	-	803,134
Amount due to Manager			
- management fee	453,156	-	453,156
- cancellation of units	625,599	-	625,599
Amount due to Trustee	15,105	-	15,105
Auditors' remuneration	-	4,463	4,463
Tax agent's fee	-	5,992	5,992
Other payables and accruals	-	17,809	17,809
Tax payable	-	885,635	885,635
	<u>1,896,994</u>	<u>913,899</u>	<u>2,810,893</u>
<u>2021</u>			
Amount due to Manager			
- management fee	620,702	-	620,702
Amount due to Trustee	20,690	-	20,690
Auditors' remuneration	-	4,463	4,463
Tax agent's fee	-	8,500	8,500
Other payables and accruals	-	2,476	2,476
	<u>641,392</u>	<u>15,439</u>	<u>656,831</u>

AFFIN HWANG AIIAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Capital risk

The capital of the Fund is represented by equity consisting of unitholders' capital and retained earnings. The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unitholders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unitholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

Reclassification of Shariah status risk

The risk refers to the risk that the currently held Shariah-compliant securities in the portfolio of Shariah-Compliant funds may be reclassified to be Shariah non-compliant upon review of the securities by the Shariah Advisory Council of the Securities Commission performed twice yearly. If this occurs, the value of the Fund may be adversely affected where the Manager will take the necessary steps to dispose of such securities in accordance with the Shariah Advisory Council's advice.

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022 (CONTINUED)

3 FAIR VALUE ESTIMATION

Financial instruments comprise financial assets and financial liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of financial assets traded in active markets (such as trading securities) is based on quoted market prices at the close of trading on the period end date. The Fund utilises the current bid price for financial assets which falls within the bid-ask spread.

An active market is a market in which transactions for the asset take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The fair value of financial assets that are not traded in an active market is determined by using valuation techniques.

(i) Fair value hierarchy

The table below analyses financial instruments carried at fair value. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active market for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2)
- Inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs) (Level 3)

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgment by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by independent sources that are actively involved in the relevant market.

AFFIN HWANG AII MAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022 (CONTINUED)

3 FAIR VALUE ESTIMATION (CONTINUED)

(i) Fair value hierarchy (continued)

The following table analyses within the fair value hierarchy the Fund's financial assets (by class) measured at fair value:

	<u>Level 1</u> RM	<u>Level 2</u> RM	<u>Level 3</u> RM	<u>Total</u> RM
<u>2022</u>				
Financial assets at fair value through profit or loss				
- Shariah-compliant quoted equities	<u>236,350,837</u>	<u>-</u>	<u>-</u>	<u>236,350,837</u>
<u>2021</u>				
Financial assets at fair value through profit or loss				
- Shariah-compliant quoted equities	<u>398,614,079</u>	<u>-</u>	<u>-</u>	<u>398,614,079</u>

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include active listed equities and exchange-traded funds. The Fund does not adjust the quoted prices for these instruments.

- (ii) The carrying values of cash and cash equivalents, amount due from brokers, amount due from Manager, dividend receivables and all current liabilities are a reasonable approximation of the fair values due to their short-term nature.

4 MANAGEMENT FEE

In accordance with the Deed, the Manager is entitled to a management fee at a rate not exceeding 5.00% per annum on the NAV of the Fund calculated and accrued daily and is calculated using Fund's base currency.

For the 6 months financial period ended 30 April 2022, the management fee is recognised at a rate of 1.80% (2021: 1.80%) per annum on the NAV of the Fund calculated on a daily basis as stated in the Prospectus.

There will be no further liability to the Manager in respect of management fee other than the amounts recognised above.

AFFIN HWANG AIIAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022 (CONTINUED)

5 TRUSTEE FEE

In accordance with the Deed, the Trustee is entitled to an annual fee at a rate not exceeding 0.10% per annum on the NAV of the Fund subject to a minimum of RM12,000 per annum (excluding foreign custodian and charges).

For the 6 months financial period ended 30 April 2022, the Trustee fee is recognised at a rate of 0.06% (2021: 0.06%) per annum on the NAV of the Fund, calculated on a daily basis, exclusive of foreign custodian fees as stated in the Prospectus.

There will be no further liability to the Trustee in respect of Trustee fee other than the amounts recognised above.

6 TAXATION

	6 months financial period ended <u>30.4.2022</u> RM	6 months financial period ended <u>30.4.2021</u> RM
Current taxation	328,978	-
Deferred tax liabilities (Note 9)	8,923	-
	<u>337,901</u>	<u>-</u>

The numerical reconciliation between net (loss)/profit before taxation multiplied by the Malaysian statutory tax rate and tax expense of the Fund is as follows:

	6 months financial period ended <u>30.4.2022</u> RM	6 months financial period ended <u>30.4.2021</u> RM
Net (loss)/profit before taxation	<u>(48,315,007)</u>	<u>33,624,498</u>
Tax at Malaysian statutory rate of 24% (2021: 24%)	(11,595,602)	8,069,880
Tax effects of:		
Investment loss disallowed from tax/(Investment income not subject to tax)	10,164,657	(9,380,874)
Expenses not deductible for tax purposes	668,737	592,272
Restrictions on tax deductible expenses for Unit Trust Funds	762,208	718,722
Foreign income subject to different tax rate	337,901	-
Tax expense	<u>337,901</u>	<u>-</u>

AFFIN HWANG AIIAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022 (CONTINUED)

7 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>2022</u> RM	<u>2021</u> RM
Financial assets at fair value through profit or loss:		
- Shariah-compliant quoted equities – local	3,827,000	15,940,200
- Shariah-compliant quoted equities – foreign	232,523,837	382,673,879
	<u>236,350,837</u>	<u>398,614,079</u>
Net (loss)/gain on financial assets at fair value through profit or loss:		
- realised (loss)/gain on sale of investment	(21,816,781)	26,307,804
- unrealised (loss)/gain on changes in fair value	(24,300,783)	11,763,846
- management fee rebate on collective investment schemes	-	1,382
	<u>(46,117,564)</u>	<u>38,073,032</u>

In arriving at the fair value of collective investment schemes, the management fee paid to the Manager of collective investment schemes have been considered as part of its NAV. In order to prevent the double charging of management fee, which is not permissible under SC's Guidelines, management fee charged on the Fund's investments in collective investment schemes have been refunded to the Fund. Accordingly, any rebate of management fee received from the Manager of collective investment schemes is reflected as an increase in the NAV of the collective investment schemes.

(a) Shariah-compliant quoted equities – local

(i) Shariah-compliant quoted equities – local as at 30 April 2022 are as follows:

<u>Name of counters</u>	<u>Quantity</u>	<u>Aggregate cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Telecommunications & Media</u>				
TIME dotCom Berhad	860,000	2,643,353	3,827,000	1.35
Total Shariah-compliant quoted equities – local	<u>860,000</u>	<u>2,643,353</u>	<u>3,827,000</u>	<u>1.35</u>
Accumulated unrealised gain on Shariah-compliant quoted equities – local		<u>1,183,647</u>		
Total Shariah-compliant quoted equities – local		<u>3,827,000</u>		

AFFIN HWANG AIIAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022 (CONTINUED)

7 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(a) Shariah-compliant quoted equities – local (continued)

(ii) Shariah-compliant quoted equities – local as at 30 April 2021 are as follows: (continued)

<u>Name of counters</u>	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Health Care</u>				
Hartalega Holdings Bhd	580,000	6,323,842	5,962,400	1.39
Supermax Corp Bhd	780,000	4,621,734	4,703,400	1.10
	<u>1,360,000</u>	<u>10,945,576</u>	<u>10,665,800</u>	<u>2.49</u>
<u>Telecommunications & Media</u>				
TIME dotCom Berhad	380,000	3,503,980	5,274,400	1.24
Total Shariah-compliant quoted equities – local	<u>1,740,000</u>	<u>14,449,556</u>	<u>15,940,200</u>	<u>3.73</u>
Accumulated unrealised gain on Shariah-compliant quoted equities – local		<u>1,490,644</u>		
Total Shariah-compliant quoted equities – local		<u>15,940,200</u>		

(b) Shariah-compliant quoted equities – foreign

(i) Shariah-compliant quoted equities – foreign as at 30 April 2022 are as follows:

<u>Name of counters</u>	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Australia</u>				
<u>Basic Materials</u>				
BHP Group Ltd	54,750	7,307,383	8,189,111	2.89
Champion Iron Ltd	169,000	4,205,914	3,796,937	1.34
OZ Minerals Ltd	40,000	3,266,317	3,066,242	1.08
Pilbara Minerals Ltd	800,000	7,251,963	7,079,779	2.50
South32 Ltd	230,000	3,434,209	3,397,172	1.20
	<u>1,293,750</u>	<u>25,465,786</u>	<u>25,529,241</u>	<u>9.01</u>

AFFIN HWANG AIIAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022 (CONTINUED)

7 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(b) Shariah-compliant quoted equities – foreign (continued)

(i) Shariah-compliant quoted equities – foreign as at 30 April 2022 are as follows: (continued)

<u>Name of counters</u>	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Australia</u> (continued)				
<u>Healthcare</u>				
CSL Ltd	3,500	2,973,668	2,965,437	1.05
Sonic Healthcare Ltd	77,000	7,978,395	8,757,799	3.09
	<u>80,500</u>	<u>10,952,063</u>	<u>11,723,236</u>	<u>4.14</u>
<u>Hong Kong</u>				
<u>Consumer Discretionary</u>				
Alibaba Group Holding Ltd	114,000	7,083,750	6,456,375	2.28
BYD Co Ltd	26,000	3,358,304	3,397,870	1.20
Haier Smart Home Co Ltd	260,000	4,038,800	4,074,272	1.44
JD.com Inc	38,740	5,490,485	5,703,201	2.02
Li Ning Company Ltd	100,000	3,605,243	3,466,875	1.23
Shenzhen Intl Group Holdings Ltd	84,000	4,914,620	5,069,514	1.79
Techtronic Industries Co	23,000	1,623,774	1,356,186	0.48
Topsports International Holdings Ltd	980,000	4,029,799	3,288,816	1.16
	<u>1,625,740</u>	<u>34,144,775</u>	<u>32,813,109</u>	<u>11.60</u>
<u>Consumer Staples</u>				
China Mengniu Dairy Co Ltd	355,000	8,468,279	8,388,728	2.96
<u>Industrials</u>				
Swire Pacific Limited - CL A	274,000	7,720,243	6,824,252	2.41
<u>Real Estate</u>				
Link REIT	100,000	3,405,488	3,777,507	1.34
<u>Technology</u>				
Tencent Holdings Ltd	80,000	20,124,567	16,738,627	5.92

AFFIN HWANG AIIAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022 (CONTINUED)

7 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(b) Shariah-compliant quoted equities – foreign (continued)

(i) Shariah-compliant quoted equities – foreign as at 30 April 2022 are as follows: (continued)

<u>Name of counters</u>	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>India</u>				
<u>Consumer Staples</u>				
Varun Beverages Ltd	75,396	2,514,771	4,628,945	1.64
<u>Energy</u>				
Gail India Ltd	800,000	6,970,473	7,244,508	2.56
Oil & Natural Gas Corp Ltd	760,000	7,230,982	6,932,013	2.45
Reliance Industries Ltd	74,000	9,843,003	11,781,259	4.16
	<u>1,634,000</u>	<u>24,044,458</u>	<u>25,957,780</u>	<u>9.17</u>
<u>Healthcare</u>				
Apollo Hospitals Ent Ltd	18,500	4,570,384	4,670,608	1.65
Max Healthcare Institute Ltd	265,000	5,465,249	6,191,986	2.19
	<u>283,500</u>	<u>10,035,633</u>	<u>10,862,594</u>	<u>3.84</u>
<u>Technology</u>				
Infosys Ltd	73,000	7,084,134	6,512,379	2.30
<u>Indonesia</u>				
<u>Basic Materials</u>				
Aneka Tambang Tbk	7,100,000	5,207,886	5,547,230	1.96
<u>Financials</u>				
Bank Syariah Indonesia Tbk PT	14,000,000	6,887,053	6,647,060	2.35
<u>Telecommunication & Media</u>				
Telkom Indonesia Persero Tbk PT	5,100,000	5,289,544	7,080,381	2.50

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022 (CONTINUED)

7 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(b) Shariah-compliant quoted equities – foreign (continued)

(i) Shariah-compliant quoted equities – foreign as at 30 April 2022 are as follows: (continued)

<u>Name of counters</u>	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>South Korea</u>				
<u>Technology</u>				
Samsung Electronics Co Ltd	24,900	6,360,213	5,804,262	2.05
<u>Singapore</u>				
<u>Real Estate</u>				
Frasers Centrepoint Trust	600,000	4,351,946	4,629,912	1.64
<u>Telecommunications</u>				
Singapore Telecom Ltd	1,170,000	10,167,002	10,207,539	3.61
<u>Taiwan</u>				
<u>Technology</u>				
Samsung Electronics Co Ltd	243,000	16,315,609	19,322,485	6.83
<u>Thailand</u>				
<u>Consumer Discretionary</u>				
Home Product Center PCL	2,370,000	4,856,543	4,519,756	1.60
<u>Energy</u>				
PTT Exploration & Production	180,000	3,230,735	3,444,168	1.22
<u>United States</u>				
<u>Basic Materials</u>				
Linde PLC	4,150	5,665,966	5,630,274	1.99
<u>Healthcare</u>				
ResMed Inc	3,600	3,564,339	3,132,500	1.11

AFFIN HWANG AIIAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022 (CONTINUED)

7 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(b) Shariah-compliant quoted equities – foreign (continued)

(i) Shariah-compliant quoted equities – foreign as at 30 April 2022 are as follows: (continued)

<u>Name of counters</u>	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>United States</u> (continued)				
<u>Technology</u>				
Alphabet Inc - Class C	280	3,267,676	2,801,872	0.99
Total Shariah-compliant quoted equities – foreign	<u>36,670,816</u>	<u>229,124,709</u>	<u>232,523,837</u>	<u>82.18</u>
Accumulated unrealised gain on Shariah-compliant quoted equities – foreign		<u>3,399,128</u>		
Total Shariah-compliant quoted equities – foreign		<u>232,523,837</u>		

(ii) Shariah-compliant quoted equities – foreign as at 30 April 2021 are as follows:

<u>Name of counters</u>	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Australia</u>				
<u>Basic Materials</u>				
BHP Group Ltd	57,500	5,061,761	8,721,578	2.04
OZ Minerals Ltd	62,000	3,900,995	4,713,902	1.10
	<u>119,500</u>	<u>8,962,756</u>	<u>13,435,480</u>	<u>3.14</u>
<u>Consumer Discretionary</u>				
Bapcor Ltd	<u>145,000</u>	<u>3,266,986</u>	<u>3,514,908</u>	<u>0.82</u>
<u>China</u>				
<u>Consumer Discretionary</u>				
China Intl Travel Serv Corp Ld	<u>58,902</u>	<u>11,607,390</u>	<u>11,632,353</u>	<u>2.72</u>

AFFIN HWANG AIIAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022 (CONTINUED)

7 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(b) Shariah-compliant quoted equities – foreign (continued)

(ii) Shariah-compliant quoted equities – foreign as at 30 April 2021 are as follows (continued):

<u>Name of counters</u>	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Hong Kong</u>				
<u>Consumer Staples</u>				
China Feihe Ltd	690,000	7,624,918	8,022,499	1.87
China Mengniu Dairy Co Ltd	382,000	9,070,589	8,350,312	1.95
	<u>1,072,000</u>	<u>16,695,507</u>	<u>16,372,811</u>	<u>3.82</u>
<u>Consumer Discretionary</u>				
Alibaba Group Holding Ltd	207,100	25,784,938	24,514,945	5.72
Chow Tai Fook Jewellery Group	991,000	3,398,000	6,527,491	1.52
Shenzhou Intl Group Holdings	52,000	4,389,193	4,669,874	1.09
Techtronic Industries Co	85,000	6,051,442	6,332,140	1.48
	<u>1,335,100</u>	<u>39,623,573</u>	<u>42,044,450</u>	<u>9.81</u>
<u>Industrials</u>				
Swire Pacific Limited - CL A	140,000	4,586,588	4,625,471	1.08
<u>Technology</u>				
Meituan Dianping	79,900	14,511,632	12,518,139	2.92
Tencent Holdings Ltd	96,500	28,282,543	31,603,485	7.38
Weimob Inc	640,000	7,757,195	5,771,107	1.35
	<u>816,400</u>	<u>50,551,370</u>	<u>49,892,731</u>	<u>11.65</u>
<u>Real Estates</u>				
KWG Living Group Holdings Ltd	1,060,000	4,868,458	4,439,021	1.04
Link REIT	153,464	5,712,948	5,918,052	1.38
	<u>1,213,464</u>	<u>10,581,406</u>	<u>10,357,073</u>	<u>2.42</u>

AFFIN HWANG AIIAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022 (CONTINUED)

7 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(b) Shariah-compliant quoted equities – foreign (continued)

(ii) Shariah-compliant quoted equities – foreign as at 30 April 2021 are as follows (continued):

<u>Name of counters</u>	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>India</u>				
<u>Consumer Staples</u>				
Varun Beverages Ltd	106,931	5,349,876	5,638,450	1.32
<u>Consumer Discretionary</u>				
Dixon Technologies India Ltd	19,410	3,490,706	4,479,604	1.05
<u>Technology</u>				
Infosys Ltd	51,436	3,652,123	3,826,764	0.89
Tata Consultancy Svcs Ltd	24,000	4,029,036	4,027,392	0.94
	75,436	7,681,159	7,854,156	1.83
<u>Utilities</u>				
Petronet LNG Ltd	552,452	7,355,452	7,309,735	1.71
<u>Indonesia</u>				
<u>Telecommunication & Media</u>				
Telkom Indonesia Persero Tbk PT	4,000,000	3,856,404	3,608,528	0.84
<u>South Korea</u>				
<u>Basic Materials</u>				
POSCO	6,650	7,145,753	8,890,380	2.08
<u>Technology</u>				
NAVER Corp	5,050	7,140,595	6,667,877	1.56
Samsung Electronics Co Ltd				
- Pref Shares	98,557	20,070,164	26,533,145	3.60
SK Hynix Inc	18,554	6,059,674	8,722,577	2.04
	122,161	33,270,433	41,923,599	7.20

AFFIN HWANG AIIAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022 (CONTINUED)

7 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(b) Shariah-compliant quoted equities – foreign (continued)

(ii) Shariah-compliant quoted equities – foreign as at 30 April 2021 are as follows (continued):

<u>Name of counters</u>	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Singapore</u>				
<u>Basic Materials</u>				
Nanofilm Technologies Intl PL	302,900	2,419,892	4,671,021	1.09
<u>Taiwan</u>				
<u>Industrial</u>				
Delta Electronics Inc	105,000	2,895,605	4,642,344	1.09
<u>Technology</u>				
ASE Technology Holding Co Ltd	780,000	9,887,786	13,474,656	3.15
MediaTek Inc	44,000	5,215,618	7,633,296	1.78
Nan Ya Printed Circuit Board	173,000	8,538,232	8,054,050	1.88
Nanya Technology Corp	445,000	5,951,388	5,967,557	1.39
Taiwan Semiconductor Manufacturing	346,000	20,894,742	30,392,640	7.10
	<u>1,788,000</u>	<u>50,487,766</u>	<u>65,522,199</u>	<u>15.30</u>
<u>United States</u>				
<u>Consumer Discretionary</u>				
Alibaba Group Holding Ltd	13,168	9,739,838	12,415,376	2.90
Estee Lauder Companies Inc	2,850	2,866,508	3,654,232	0.85
	<u>16,018</u>	<u>12,606,346</u>	<u>16,069,608</u>	<u>3.75</u>
<u>Industrial</u>				
Visa Inc	17,150	13,718,894	16,373,701	3.82

AFFIN HWANG AII MAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022 (CONTINUED)

7 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(b) Shariah-compliant quoted equities – foreign (continued)

(ii) Shariah-compliant quoted equities – foreign as at 30 April 2021 are as follows (continued):

<u>Name of counters</u>	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
<u>United States</u> (continued)				
<u>Technology</u>				
Apple Inc.	16,000	8,281,204	8,597,598	2.01
Applied Materials Inc	11,000	6,544,750	5,964,784	1.39
Microsoft Corporation	12,350	9,317,709	12,725,532	2.97
Nvidia Corporation	3,300	7,306,867	8,095,269	1.89
Teradyne Inc	16,500	8,699,274	8,432,094	1.98
	<u>59,150</u>	<u>40,149,804</u>	<u>43,815,277</u>	<u>10.24</u>
Total Shariah-compliant quoted equities – foreign	<u>12,071,624</u>	<u>336,303,666</u>	<u>382,673,879</u>	<u>86.78</u>
Accumulated unrealised gain on Shariah-compliant quoted equities – foreign		<u>46,370,213</u>		
Total Shariah-compliant quoted equities – foreign		<u>382,673,879</u>		

AFFIN HWANG AIIAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022 (CONTINUED)

8 CASH AND CASH EQUIVALENTS

	<u>2022</u> RM	<u>2021</u> RM
Cash and bank balances	44,679,449	9,312,452
Short term Shariah-based deposits with licensed financial institutions*	4,301,022	9,063,485
	<u>48,980,471</u>	<u>18,375,937</u>

*Includes profit receivables of RM389 (2021: RM410).

Weighted average effective profit rates per annum of Shariah-based deposits with licensed financial institutions are as follows:

	<u>2022</u> %	<u>2021</u> %
Shariah-based deposits with licensed financial institutions	<u>1.65</u>	<u>1.65</u>

Shariah-based deposits with licensed financial institutions have an average maturity of 5 days (2021: 3 days).

9 DEFERRED TAX LIABILITIES

	<u>2022</u> RM	<u>2021</u> RM
Deferred tax liabilities	<u>885,635</u>	<u>-</u>

Movement of deferred tax liabilities is as follows:

	Unrealised gain on financial assets at fair value through profit or loss RM	Foreign dividend receivables on financial assets at FVTPL RM	Total RM
Balance as at 1 November 2021	876,712	-	876,712
Recognised in profit or loss	-	8,923	8,923
Balance as at 30 April 2022	<u>885,635</u>	<u>8,923</u>	<u>885,635</u>
Balance as at 1 November 2020	-	-	-
Recognised in profit or loss	-	-	-
Balance as at 30 April 2021	<u>-</u>	<u>-</u>	<u>-</u>

AFFIN HWANG AIIAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022 (CONTINUED)

10 NUMBER OF UNITS IN CIRCULATION

	<u>2022</u>	<u>2021</u>
	No. of units	No. of units
At the beginning of the financial period	485,913,000	298,750,000
Creation of units arising from applications during the financial period	12,630,000	202,016,000
Cancellation of units during the financial period	(91,809,000)	(1,920,000)
At the end of the financial period	<u>406,734,000</u>	<u>498,846,000</u>

11 SHARIAH INFORMATION OF THE FUND

The Shariah Adviser confirmed that the investments portfolio of the Fund is Shariah-compliant, which comprises:

- (a) Equity securities listed in Bursa Malaysia which have been classified as Shariah-compliant by the Shariah Advisory Council of the SC;
- (b) Equities securities listed in foreign markets which have been approved by the local Shariah governing bodies of the respective countries or listed under the list of Shariah-compliant securities issued by the Shariah indices recognised internationally;
- (c) Exchange-traded fund which has been classified as Shariah-compliant by the Shariah Advisory Council of the Securities Commission; and
- (d) Cash placements and liquid assets in local market, which are placed in Shariah-compliant investments and/or instruments.

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022 (CONTINUED)

12 TRANSACTIONS WITH BROKERS

- (i) Details of transactions with the top 10 brokers for the 6 months financial period ended 30 April 2022 are as follows:

<u>Name of brokers</u>	<u>Value of trade</u> RM	<u>Percentage of total trade</u> %	<u>Brokerage fees</u> RM	<u>Percentage of total brokerage</u> %
Robert W. Baird & Co.	119,208,606	14.73	11,938	0.56
Macquarie Securities (Australia) Ltd	109,712,237	13.56	308,094	14.39
Instinet Pacific Ltd Hong Kong Branch	50,743,741	6.27	193,376	9.03
CLSA Ltd India	45,765,839	5.66	134,640	6.29
JP Morgan Securities (Asia Pacific)	44,632,948	5.52	189,269	8.84
CLSA Ltd (Hong Kong)	41,395,098	5.11	112,934	5.27
CLSA Securities Korea Ltd	33,875,182	4.19	93,618	4.37
Daiwa Securities Capital Markets Korea Co. Ltd	30,821,431	3.81	87,430	4.08
Masterlink Securities Co. Ltd	27,095,312	3.35	117,857	5.51
Macquarie Bank Ltd (Australia)	26,384,813	3.26	38,776	1.81
Others	279,521,489	34.54	853,229	39.85
	<u>809,156,696</u>	<u>100.00</u>	<u>2,141,161</u>	<u>100.00</u>

- (ii) Details of transactions with the top 10 brokers for the 6 months financial period ended 30 April 2021 are as follows:

<u>Name of brokers</u>	<u>Value of trade</u> RM	<u>Percentage of total trade</u> %	<u>Brokerage fees</u> RM	<u>Percentage of total brokerage</u> %
CLSA Ltd (Hong Kong)	70,660,997	10.65	147,271	9.34
Robert W. Baird & Co	59,989,470	9.04	10,031	0.64
Macquarie Securities Ltd (KR)	48,950,537	7.38	98,452	6.24
Sanford C. Bernstein and CO., LLC	39,659,319	5.98	106,910	6.78
Macquarie Securities (Australia) Ltd	38,360,954	5.78	77,109	4.89
Macquarie Capital Securities India	35,697,262	5.38	134,628	8.54
CITIGroup Global Markets Ltd	28,280,753	4.26	80,981	5.14
CLSA Securities Korea Ltd.	24,131,463	3.64	30,288	1.92
CIMB Securities (Singapore) Pte Ltd.	23,074,077	3.48	48,422	3.07
JPMorgan Securities (Asia Pacific)	22,399,922	3.38	89,842	5.70
Others	272,191,085	41.03	753,024	47.74
	<u>663,395,839</u>	<u>100.00</u>	<u>1,576,958</u>	<u>100.00</u>

Included in transactions with brokers are trades conducted with Affin Hwang Investment Bank Berhad, a company related to the Manager amounting to RM1,199,996 (2021: RM16,785,279.00). The Manager is of the opinion that the transactions with the related company have been entered into in the normal course of business at agreed terms between the related parties.

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022 (CONTINUED)

13 UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER

The related parties of and their relationships with the Fund are as follows:

<u>Related parties</u>	<u>Relationship</u>
Lembaga Tabung Angkatan Tentera (“LTAT”)	Ultimate holding corporate body of the Manager
Affin Bank Berhad (“ABB”)	Penultimate holding company of the Manager
Affin Hwang Investment Bank Berhad	Holding company of the Manager
Affin Hwang Asset Management Berhad	The Manager
Subsidiaries and associated companies of ABB as disclosed in its financial statements	Subsidiary and associated companies of the penultimate holding company of the Manager as disclosed in its financial statements
Directors of Affin Hwang Asset Management Berhad	Directors of the Manager

The units held by the Manager as at the end of the financial period are as follows:

	<u>2022</u>		<u>2021</u>	
	<u>No. of units</u>	<u>RM</u>	<u>No. of units</u>	<u>RM</u>
<u>The Manager:</u>				
Affin Hwang Asset Management Berhad (The units are held for booking purposes)	3,444	2,396	520,714	447,033
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>Subsidiary of the Manager:</u>				
AIIMAN Asset Management Sdn Bhd (The units are held beneficially)	258,831	180,043	275,768	236,747
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

AFFIN HWANG AIIAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 APRIL 2022 (CONTINUED)

14 TOTAL EXPENSE RATIO (“TER”)

	6 months financial period ended <u>30.4.2022</u> %	6 months financial period ended <u>30.4.2021</u> %
TER	<u>0.97</u>	<u>0.96</u>

TER is derived from the following calculation:

$$\text{TER} = \frac{(A + B + C + D + E) \times 100}{F}$$

A	=	Management fee, excluding management fee rebates
B	=	Trustee fee
C	=	Auditors' remuneration
D	=	Tax agent's fee
E	=	Other expenses, excluding sales and service tax on transaction costs and withholding tax
F	=	Average NAV of Fund calculated on a daily basis

The average NAV of the Fund for the financial period calculated on a daily basis is RM355,020,600 (2021: RM335,386,889).

15 PORTFOLIO TURNOVER RATIO (“PTR”)

	6 months financial period ended <u>30.4.2022</u> %	6 months financial period ended <u>30.4.2021</u> %
PTR (times)	<u>1.17</u>	<u>0.95</u>

PTR is derived from the following calculation:

$$\frac{(\text{Total acquisition for the financial period} + \text{total disposal for the financial period}) \div 2}{\text{Average NAV of the Fund for the financial period calculated on a daily basis}}$$

where: total acquisition for the financial period = RM356,670,621 (2021: RM414,490,191)

total disposal for the financial period = RM474,302,855 (2021: RM222,645,222)

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

STATEMENT BY THE MANAGER

I, Dato' Teng Chee Wai, for and on behalf of the board of directors of the Manager, **Affin Hwang Asset Management Berhad**, do hereby state that in the opinion of the Manager, the financial statements set out on pages 1 to 39 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 30 April 2022 and of its financial performance, changes in equity and cash flows for the financial period ended 30 April 2022 in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards.

For and on behalf of the Manager,
AFFIN HWANG ASSET MANAGEMENT BERHAD

DATO' TENG CHEE WAI
EXECUTIVE DIRECTOR/MANAGING DIRECTOR

Kuala Lumpur
17 June 2022